

CELEBRATING

MDHETM

Missouri Department of Higher Education

*Building Missouri's future...
by degrees®*

30th
ANNIVERSARY

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Celebrating Success: “Surviving” an MDHE Program Review

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Agenda

- What is a review?
- Overview of the process
 - Offsite
 - Onsite
- Resources for preparation



What is a program review?

- A method by which MDHE evaluates:
 - Written policies
 - Student files
 - Compliance with federal regulations



A program review is NOT:

- Our attempt to micromanage your institution
- A reason for you to have a nervous breakdown
- A witch hunt
- An evaluation of your cleaning skills



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MDHE Triggers

- a CDR higher than 20%
- Results of previous program reviews
- Lender or student complaints
- Other criteria determined by the MDHE



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3-year CDR

2-year calc.

For FY09:

of borrowers who
defaulted between
10/01/08 – 09/30/10

of borrowers who
entered repayment
between 10/01/08 –
09/30/09

3-year calc.

For FY09:

of borrowers who
defaulted between
10/01/08 – 09/30/11

of borrowers who
entered repayment
between 10/01/08 –
09/30/09



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CDR Comparison

	School A – 2 year		School B – 4 year		School C - Tech	
	<u>2-year</u>	<u>3-year</u>	<u>2-year</u>	<u>3-year</u>	<u>2-year</u>	<u>3-year</u>
# in Default	1	3	33	59	5	10
# in Repayment	43	43	577	577	83	83
CDR	2.3	6.9	5.7	10.2	6.0	12.0

Overview of the Process

- Notification
- 2 components
 - Offsite (procedures)
 - Onsite (student files)
- Final report



Notification of Review/Prep work

Notification

- Sent 60-days prior to onsite review
- Sent to FAO & Pres.
- Via Certified Mail
- Length onsite (2 – 5 days)
- List of requested materials
- 2-3 weeks deadline to send materials

Prep Work

- Select a designated contact person to act as a liaison for the duration of the review
- Identify a workplace with internet access that will not disrupt daily function of the office



Requested materials/Offsite

- USDE Program Participation Agreement & Institutional Eligibility notice
- Admissions standards
- School catalog & student handbook for current year
- Loan budgets for year in review (COA)
- Sample award letter and sample EFT notification
- Current financial aid policies and procedures
- Consumer information, annual security report (URLS)
- Default Management Plan
- Examples of forms, applications and worksheets

Onsite

Various staff should be made available during the review.

- Entrance Interview
- Areas of Review
- File Examination (50 student files)
 - Student financial aid
 - Academic transcript
 - Student account information
- Exit Interview



Areas of Review

- Financial Aid Office
- Business Office
- Registrar's/Records Office



Financial Aid Office

The general purpose of meeting with the FAO is to determine if policies and procedures regarding the administration of financial aid are followed.

- Process Discussion
 - Administrative Responsibilities
 - Staffing
 - Trainings and Meetings
 - Academic Year
 - Campus Based Programs
 - Professional Judgment
 - Refunds
 - Student Eligibility
 - Needs Analysis



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Financial Aid Office

We will also touch on...

- Procedures for conducting entrance and exit counseling
- Method of determining the loan period and student grade level
- Institutional definition of enrollment
- Procedures for estimating other financial assistance



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Business Office

The general purpose of meeting with the business office is to determine if policies and procedures regarding the receipt and the delivery of disbursements are being followed.

- Process Discussion
 - Student Accounts
 - Delivery of Funds
 - Credit Balances
 - Return of Title IV Funds (Refund) Policy
 - Procedures for receipt and delivery of loan proceeds



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Registrar's Office

The general purpose of meeting with the Registrar's Office is to determine if policies and procedures regarding the student borrower's enrollment are followed.

Process Discussion

- Academic year
- Enrollment status
- Satisfactory Academic Progress



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Registrar's Office

- Pertinent information includes:
 - Student enrollment procedures
 - Institutional definition of enrollment
 - Academic year determination
 - Definition of full time & half time
 - Definition of SAP
 - Notification of financial aid office when student ceases to be enrolled half-time basis
 - Withdraw date determination for students who do not formally withdraw
- Records kept by the registrar will be examined to ensure consistency within institutional policies



Student Files

- The following should also be accessible:
 - Date loan funds were received
 - Date loan proceeds were delivered
 - Date grant/scholarship proceeds were delivered
 - Receipt of tuition & fees
 - Return of Title IV funds (refund calculations)
- School records should include:
 - Dates of enrollment
 - Institutional charges
 - Housing status
 - Changes in enrollment status



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Review Report

The report will:

- ID any areas of deficiency
- Indicate necessary corrective actions
- Make recommendations for improved administration
- Final report should be received within 60 days.
- Any required response will be expected within 60 days of the receipt of the report.



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Tools, Tips and Tidbits

Information for Financial Aid Professionals (IFAP)

- www.ifap.ed.gov
 - FSA Assessments – Policies and Procedures
 - Program Review Guide
 - Making a Policies and Procedures Manual
 - Management Enhancement Worksheet
 - Training Session #13 – FSA Assessments and Opportunity to Improve Compliance



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POLICIES AND PROCEDURES

At-A-Glance



START HERE
GO FURTHER
FEDERAL STUDENT AID



Administrative Capability	Section 1	Policy and Procedure Regulatory Citation
		668.16 (b) (Adequate number of qualified persons to administer the Title IV Programs)
		668.16 (c) (Adequate checks and balances)
		668.16 (e) (Satisfactory Academic Progress)
		668.16 (f) (Conflicting Data)
		668.16 (d) ; 668.24 (b) ; 668.164 (Fiscal Reports and Financial Statements)
		668.16 (h) (Financial Aid Counseling)
Institutional Eligibility	Section 2	Policy and Procedure Regulatory Citation
		600.20 ; 600.21 (General Requirements)
		600.20 ; 600.21 (Updating Application Information)
		600.4 (a)(2) ; 600.5 (a)(3) ; 600.6 (a)(2) (Admission Policy for Public or Private Nonprofit educational institution, Proprietary Institution of higher education, and Postsecondary Vocational Institution)



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National Association of Student Financial Aid Administrators (NASFAA)

– www.nasfaa.org/Home.asp

- Self Evaluation Guide
- Policies and Procedures Tools
- Award Letter Evaluation Tool
- Monographs



http://www.nasfaa.org/home.asp

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TODAY'S NEWS HEADLINES

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

[RSS](#)

Tuesday, September 8, 2009

- Reminder of Perkins Loan Master Promissory Note Update Status
- Constitution Day Requirements to Remain Title IV Eligible

U.S. DEPARTMENT OF EDUCATION

- Federal Perkins Loan Default Reduction Assistance Program (DRAP)
- COD Processing Update (9/4/09)

FINANCIAL AID IN THE NEWS

NATIONAL NEWS

- Credit Card Companies Will no Longer Have the Run of Campuses (Atlanta Journal Constitution)
- Reigning In College Spending (CBS News)
- Across 30 Nations, Public Spending on Higher Education Pays Off, Report Says (The Chronicle of Higher Education)
- Beverly Daniel Tatum: Spelman College's Helping Hand (The Chronicle of Higher Education)

STATE NEWS

- Pennsylvania: Penn St Asking Merit Scholar Parents for Donations (Associated Press)

NASFAA RESOURCES

Regulatory

- HEOA Negreg
 - Compiled Title IV Regulations
 - Ask a Regulatory Question
- [:: View All](#)

Management

- Ethical Principles
 - Policies & Procedures Tools
 - Self-Evaluation Guide
- [:: View All](#)

Research

- Annotated Bibliography
 - Salary and Staffing Tools
 - Sponsored Research Grants
- [:: View All](#)

Training

- Fall Training Workshops
 - Webinar Center
 - LearnStudentAid
- [:: View All](#)

Conferences

- National Conference
- Leadership Conference

**Build a better
lender list**

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Missouri Department of Higher Education (MDHE)

- www.dhe.mo.gov
 - MDHE Digest
 - Compliance Q/A



http://www.dhe.mo.gov/compliance.shtml

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Compliance

Compliance and Policy Services

The MDHE ensures compliance with the Federal Family Education Loan Program (FFELP) through routine analysis and review of new legislation and existing regulatory manuals, guidance, and documents.

Some of the resources from the MDHE's compliance team that you may find helpful include:

Missouri Returning Heroes' Education Act (pdf) - Find the definition of "combat veteran" and other helpful information.

Tools for Schools - Use these checklists and other materials to help you with citizenship issues, late disbursement procedures, and other policies and processes.

FSA Regulations & Statutes - Research federal regulations and statutes as well as state statutes.

Enrollment Status - Use this information to help you correctly establish enrollment policies and procedures for updating enrollment data.

NSLDS Status Codes - Decipher the information you may see on the National Student Loan Data System (NSLDS) with these helpful code lists.

Citizenship Quick Guide - Use this information to help you determine whether a financial aid applicant is a U.S. Citizen, eligible non-citizen, or ineligible for Title IV aid.

Integrated Common Manual - Download the FFELP Integrated Common Manual or use other tools on this site.

Collection Agencies Used by the MDHE - Use this information to assist any defaulted borrowers in establishing repayment.

Wrap Up

A review is relatively painless when you know the process, keep policies and procedures up-to-date by utilizing resources available, allowing you to **celebrate a successful school review!**



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Questions???

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